GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:4610
ANSWERED ON:15.12.2016
Model Concession Agreement
Somaiya Dr. Kirit

Will the Minister of SHIPPING be pleased to state:

(a) whether the Government proposes a new Model Concession Agreement (MCA) for development of port infrastructure in the country;
(b) if so, the details and the present status thereof;
(c) whether the proposed MCA has taken into consideration suggestions from various stake holders; and
(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING
(SHRI PON. RADHAKRISHNAN)

(a)to(d):Yes, Madam. A new Model Concession Agreement (MCA) for development of Port infrastructure in the country has been prepared and is presently under stakeholders' consultation. The key changes proposed are :-

(i) Change in equity holding to provide exit route.
(ii) Discounts on ceiling tariff and exclusion of storage charges.
(iii) Provision of additional land to the Concessionaire.
(iv) Provision todeploy higher capacity equipments for higher productivity and improved utilization of Port assets.
(v) Concessionaire can be compensated for all changes in law except imposition of 'New Direct Tax'.
(vi) Provision for mid-term review and dispute resolution.
(vii) Provision to initiate commercial operation before Commercial Operations Date(COD).
(viii) Re-financing of debts.
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